of all the measures will result in higher intake, making up shorfall in the vacancies to a considerable extent in the near future.

Modernisation of HAL

3064. SHRI JANARDHANA POOJARY: Will the Minister of DEFENCE be pleased to state:

(a) whether Government have a proposal under consideration to modernise HAL (Hindustan Aeronautics Limited), Bangalore;

(b) if so, the details of the proposal; and

(c) the time by when work in this regard will start?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) Modernisation of HAL is a continuous process. There is no specific proposal under consideration to modernise Hindustan Aeronautics Limited, Bangalore.

(b) and (c) Does not arise, in view of reply to Part (a) above.

Audit of Regimental Funds of Indian Air Force

3065. SHRI KRISHNA KUMAR BIRLA: Will the Minister of DEFENCE be pleased to state:

(a) whether on the recommendation of a high powerd Committee set up by Government to probe the legality of "Santushti" a commercial complex run by the Indian Air Force, Government have ordered for auditing of the regimental funds held by the Indian Air Force;

(b) if so, the details thereof; and

(c) the- action taken on the audit report?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) to (c) A special Audit Team was constituted to conduct special audit of accounts of the organisation running the Santushi Complex including the transfer of income from Santushti to the regimental funds, the accounts of the regimental funds and transfer of amounts from regimentals funds to the Air Force Wives Welfare Association (AFWWA-C).

The Special Audit Team has submitted its report which has drawn the following main conclusions:—

(i) The Santushti Complex was set up in 1985 at New Wellington Camp, covering an area of 1.7 acres approximately. The land belongs to Ministry of Urban Development, but under occupation of Air Fore since 1942. The genesis of setting up of the Santushti Complex lies in the decision taken by AFWWA-C which is a private body. It is AFWWA-C who was played primary role in the setting up/ expansion of Santushti Complex by assessment of monthly rent for the shops, selection of parties for allotment of shops, regulating payment to the contractors and decision to award contracts, etc.

(ii) Even though Approvals for constructioiv%xpansion activities of Santushti Complex were accorded by Air Officer Commanding, air Force Station, New Delhi, these were on the basis of the proposal intiated by Manager Administration, Santushti Complex. The said Manager Administration was an air Force Officer from AF Stn, New Delhi, but reportintg to President, AFWWA-C. The involvement of AFWWA-C for construction activities on Government land by involving the service of Air Force authorities does not seem to be proper.

(iii) There has been no transparency in the assessment of monthly rent for shops, allotment of shops and conclusion of contracts for constructionlnaintenance, etc.

(iv) The Santushti Complex does not fall within the basic framework of regimental shops and does not conform with the policy of the Government for welfare activities.